

January 14, 2011

Fiscal Impacts of H.B. 204

The fiscal impact of H.B. 204 is indeterminable, however, there is likely a material fiscal impact on local governments, businesses, and other entities that could be classified as an “amateur sports organization” (A.S.O.). These are some potential fiscal impacts:

- 1) Legal cost to draft, adopt, and enforce a concussion and head injury policy by Local Education Agencies (LEAs), other local governments, businesses, and/or other entities that may qualify as an A.S.O.
- 2) Medical consultation cost to develop the portion of a “concussion and head injury policy” that is consistent with the requirements of Section 26-53-201 and describes the nature and risk of (i) and (ii). Legal professionals may not have the adequate background to create such a description, so they may need to consult a medical professional to prepare a policy that complies with H.B. 204.
- 3) Administrative cost to “ensure” that each “agent” of the organization is familiar with and has a copy of the policy.
- 4) Administrative cost to provide a copy to parents/legal guardians and obtain signatures of acknowledgement when children are to participate. Administrative cost to track and monitor children who are suspected of sustaining a concussion or head injury whether such injury occurred in the “sporting event” or not. The bill does not indicate in lines 100 thru 101 the suspicion of a concussion or head injury necessarily has to occur during the sporting event from which the child is to be removed. Administrative cost to track if said children have remitted written clearance from the licensed health care provider so that they can participate in the sporting event of the A.S.O.
- 5) The potential shifting of legal liability to A.S.O.s (including local governments, businesses, not-for-profits, and LEAs) from the child, their parent/legal guardian, and/or their respective health insurance provider when A.S.O.s:
 - a. Violate their own “concussion and head injury policy”, or;
 - b. Violate State code by failing to “adopt and enforce a concussion and head injury policy”.
- 6) The USOE (and other State Agencies) would need to adopt such policies for golf tournaments, softball teams, and/or any other such sporting events that its employees may participate in from time to time as a result of their employment with the State. In the alternative, a state wide policy that permeates through every state agency would need to be adopted.

Potential Mitigation of Fiscal Impacts of H.B. 204

- 1) If the State developed a “concussion and head injury” policy that met the minimum requirements of H.B. 204 that A.S.O.s could adopt or modify, it may mitigate the fiscal impacts listed in 1) and 2) on A.S.O.s.
- 2) A.S.O.s that carry liability insurance for injuries may consider attempting to have their insurance premiums reduced by complying with H.B. 204. There is no assurance that appeals to their insurance carrier to do so would successfully result in the reduction of insurance premiums.